

Franchise Tax Board

Kathleen Connell, Chair
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S M A L L B U S I N E S S
A C T I V I T Y R E P O R T

2000

S B
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We make small business success
our business.

B U S I N E S S O U T R E A C H

2000 Activity Report

small business assistance center

internet tax calendar

speakers' bureau

small business fairs

surveys

legislative and board member events

tax consultant project

tax fax line

striking gold in california

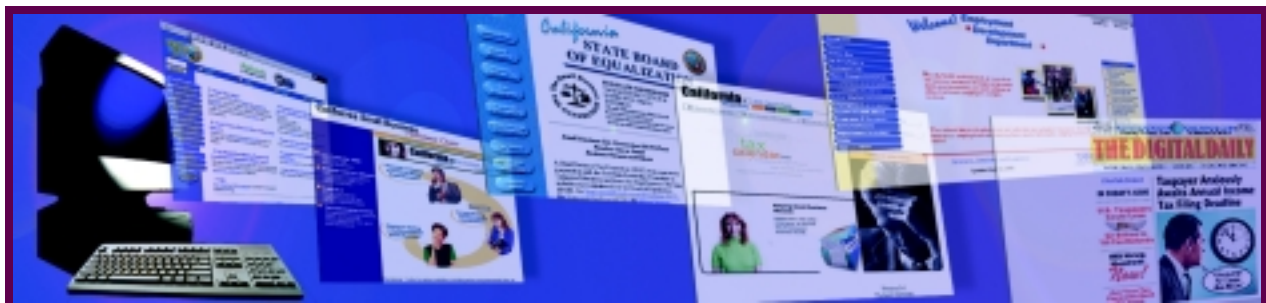
california resource guide

tax information center

center for taxpayer education

advertising campaign

tax practitioner hotline



B U S I N E S S O U T R E A C H

Small Business is Big Business to FTB.

Small businesses are job creators and revenue producers. They are fundamental to our powerful economy. In many cases they become the big businesses of tomorrow, affecting not just our state, but also the global economy. Small business is big business when it comes to California's economic health.

Our customer-centric focus on this growing and very important tax group is not new, but it is certainly expanding. The venture we outlined in 1996, moving us toward a 2010 environment, focused on using new technologies to provide strong customer service. Our overriding goal became making it as easy as possible for all taxpayers to get all the information they need to meet their tax obligations and avoid tax problems.

Small business owners' needs are unique. They're faced with many of the same tax obligations and regulations as big businesses, but oftentimes with much fewer resources. It's clear that we must maintain a partnership with this vital tax group. To that end, with the help and commitment of other government agencies, we are furthering our customer-centric focus by providing additional services needed to help small business owners succeed.

This is no small task, but it's a worthy one we've undertaken with excitement. Please read on about the many activities currently underway or on the drawing boards to help California's small businesses succeed.

Speakers' Bureau Activities

Some topics presented in the past include:

- Small Business Issues
- Partnership K-1 Issues
- Enterprise Zones
- Independent Contractor
- State Income Tax and Small Business
- 1099 Reporting
- Forms of Business
- Legislative Update

The California Small Business Assistance Center (www.taxes.ca.gov/Small_Business/default.htm), a joint venture involving the Internal Revenue Service, the Board of Equalization, the Employment Development Department, and us, is an Internet website aimed at California's small business owners. A unique venture for government websites, the California



www.taxes.ca.gov/Small_Business/default.htm

Small Business Assistance Center brings small business information from government and private sectors into one convenient location. We surveyed small business owners and tax

professionals and discovered that what they want from government is plenty of reliable information about small businesses and a single, easy-to-use location from which to access it. At our website, small business owners can find information about starting a business in California, including step-by-step guides through different governmental regulations and requirements. They can also get helpful information about ways to improve their business skills – information like tips on available counseling services and other professional education opportunities. And there is comprehensive information about how to properly close a business in California as well. The information available online at the California Small Business Assistance Center is always changing. For that reason, we screen all links on a regular basis to ensure they are business-related and appropriate. The end product is a business information source we believe is of great value to small business owners.

B U S I N E S S

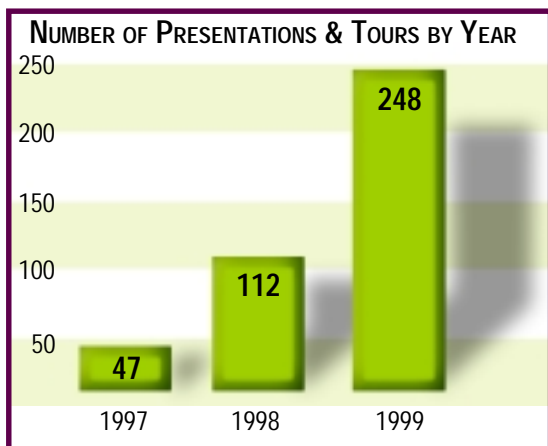


"You have questions. We have answers."

W W W . t a x e s . c a . g o v

California Federal Tax Calendar 2000

(www.taxes.ca.gov) provides small business owners with an easy-to-use, Internet tax calendar that includes important dates, links to tax-related resources and helpful hints on filing and reporting requirements. The website is a product of the Center for Taxpayer Education (see page 4).



Our Speakers' Bureau provides technical experts from within the Franchise Tax Board to speak on a variety of tax and business-related topics. Our primary audience includes the small business and tax practitioner communities. We also speak to community groups and government-funded educational institutions. The demand for speakers has grown dramatically over the past few years. We expect to speak at more than 300 events this year. To ensure that our presentations are of the highest quality and to maintain their consistency, we provide standard presentation guides for our speakers.

Small business fairs provide tax information for small business owners and tax practitioners. Occurring on a regular basis throughout the state, they are co-sponsored by federal, state and local

government agencies; businesses; and community organizations. If we know about it, we are there. We conduct a variety of one-hour seminars and provide information booths for small business fairs and *Tax Days* events scheduled throughout California. One of our most requested seminar topics at these fairs is *State Income Tax and Small Business*. Here we provide small business owners with information on their filing requirements, contact information and record-keeping tips. Participants also get our brochure, *State Income Tax and Small Business*, developed exclusively for this seminar. This presentation is also available in Spanish.

We routinely **survey** small business owners and tax practitioners during events to gain an understanding of their concerns about meeting their tax filing responsibilities. We use the survey results to create new products and services that address the needs of small business owners and tax practitioners. Many of the products and services listed in this report resulted from these surveys.

Events sponsored by the legislature, the Board of Equalization, and the Franchise Tax Board provide us with additional opportunities to assist the small business community. We participate in round table discussions and forums, conduct workshops, and staff information tables. Since 1998 we've reached more than 2,000 small business owners at these events.

Scheduled year 2000 small business fairs/taxpayer service days

- March 3, 2000
Long Beach/South Bay
Small Business Fair
Long Beach Convention Center
- April 29, 2000
South Bay
Small Business Fair
San Jose State University
- May 5, 2000
Small Business Fair
San Francisco State Building
- September 22, 2000
Orange County Small Business Fair
CSU, Fullerton
- October 4, 2000
Central Valley/Modesto
Taxpayer Service Day
Modesto Centre Plaza
- October 21, 2000
Sacramento
Taxpayer Service Day
CSU, Sacramento

O U T R E A C H

CALIFORNIA

Franchise Tax Board continues to

You can access the following tax manuals online through our homepage, www.ftb.ca.gov.

- Bank and Financial Handbook
- Collection Procedure Manual
- General Tax Audit Manual
- Multistate Audit Techniques Manual

The Small Business Tax Consultant Project is a new effort we have undertaken to reach more small business owners. We've partnered with the Los Angeles Business Revitalization Center and the Eastern Los Angeles County Small Business Development Center to assist small business owners in that area. We provide a Franchise Tax Board representative to assist owners with:

- *Estimated payment requirements*
- *Electronic filing opportunities*
- *Information sources*
- *Taxpayers' Bill of Rights*
- *Collection program – installment payments*
- *Other issues of interest*

The Small Business Tax Fax Line allows business owners to submit questions to us, via fax, about small business state tax-related topics. We respond within two business days and if we cannot answer the question, we forward it to the appropriate agency. The fax number is (916) 845-5047.

The Small Business Tax Connection, a partnership of the Franchise Tax Board (chair), the Board of Equalization, the Employment Development Department and the Internal Revenue Service, seeks to reach business owners before they experience tax difficulty. Using Striking Gold and the resource guide (described on page 4) to reach them early, the partnership can help them understand and prepare for their general tax responsibilities before it's too late.

Striking Gold in California is a great tax education tool for small business owners. Striking Gold products include:

- **Striking Gold flyer** – Explains in simple terms how the state's tax system works.
- **Striking Gold video** – Provides a visual overview of the responsibilities and rewards of operating a small business. Filmed in California's Gold Country, this 23-minute, award-winning video includes historical vignettes from the gold rush era and interviews with present-day business people.
- **Striking Gold booklet** – Provides information on income, sales and employment taxes in an easy-to-read format.



The Striking Gold video.

Striking Gold, a product of the Small Business Tax Connection, is another example of government agencies partnering to meet business needs.



reach out to small businesses.

The California Resource Guide is another product of the Small Business Tax Connection. This guide provides small business owners with a list of various organizations where they can get additional information to assist them with their business. The non-profit organizations listed in the resource guide are also sponsors of the Striking Gold in California booklet.

The California Tax Information Center

(www.taxes.ca.gov) is an Internet portal created by the Fed-State Customer Service Committee (another partnership of the four agencies). Aimed at anyone interested in learning about state taxes, the website is a one-stop shop for simplified income, payroll, sales and use tax information.

The Center for Taxpayer Education, for which we serve as team coordinator, is a team of representatives from the Franchise Tax Board, the Board of Equalization, the Employment Development Department, the Internal Revenue Service and California State University, Sacramento. The center is responsible for several small business services including the California Federal Tax Calendar 2000 and the California Small Business Assistance Center webpage. In addition, the center is conducting an **advertising campaign** to promote the many products and services developed by itself, the Small Business Tax Connection and the Fed-State Team. (The center is merging with the Fed-State Committee.) The advertising campaign will promote tax information, websites, small business fairs and Striking Gold in California products.

The future of California's small business owners includes greater government services and less red tape. We're building Internet portals that will allow business owners to get assistance anytime they need it and we're forging new alliances with other government entities. These partnerships will

allow us to share information and work together to make it convenient for our small business customers to do business with government.

We are serious about helping small businesses succeed. We will continue to develop information and programs that will help businesses grow and to meet their tax filing obligations. We invite you to contact us with your comments or concerns. Call our Community Service and Small Business Outreach at: (916) 845-7565.

The email address is:
small_business@ftb.ca.gov

Write us at:
Franchise Tax Board
Community Service and
Small Business Outreach MS B-4
PO Box 1468
Sacramento CA 95812-1468

Or send a fax to:
(916) 845-5047

Tax Practitioner Hotline

Tax representatives can obtain information for their clients by contacting our **Tax Practitioner Hotline** at (916) 845-7057.

The hotline began as a pilot in 1987, and since then, call volumes have risen from 34,000 annually in 1992 to more than 133,000 in 1999.

